

INCLUSIONARY HOUSING AND BEYOND:

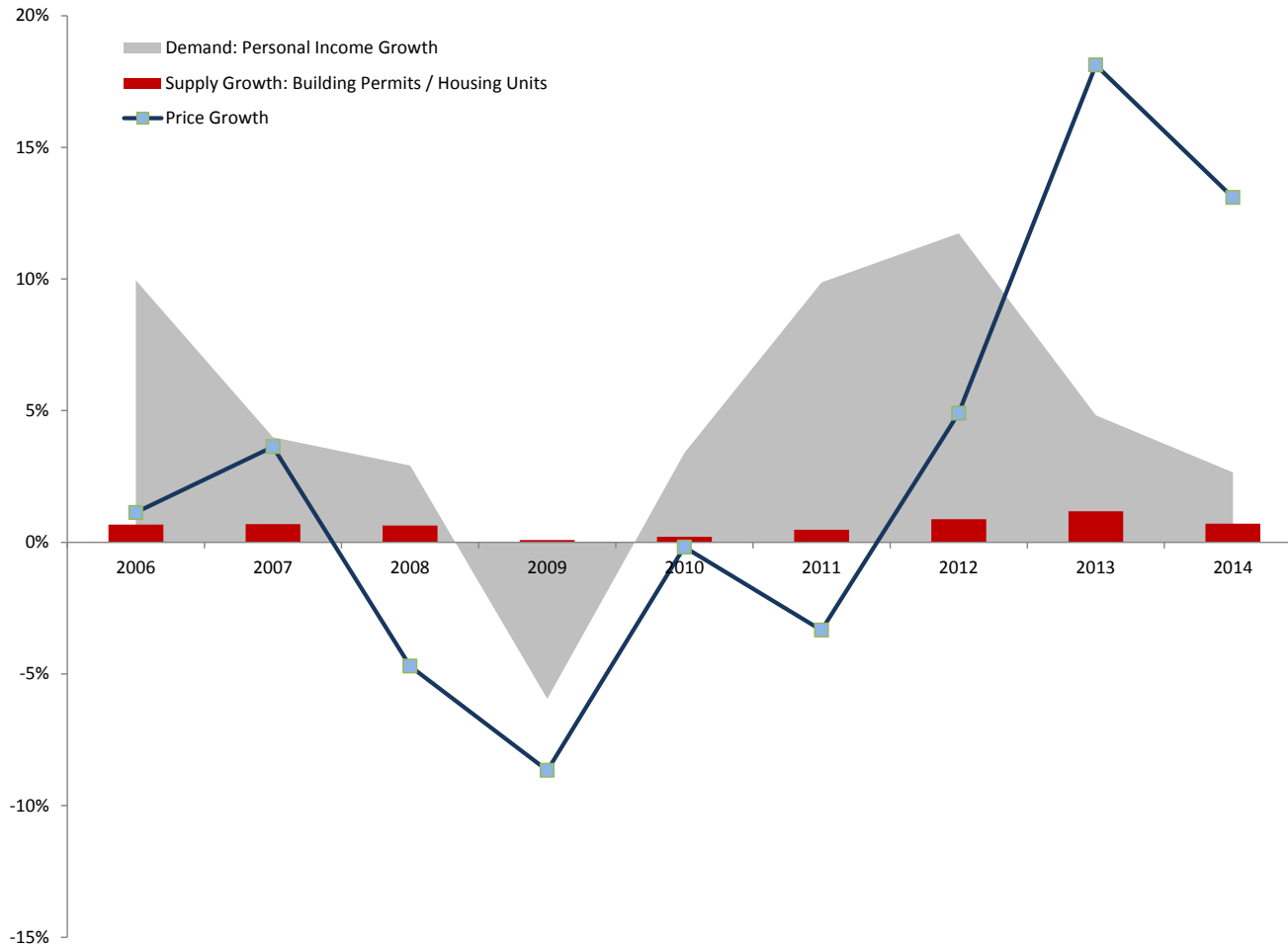
MOVING TOWARDS MIXED INCOME DEVELOPMENT IN SAN FRANCISCO



ULI Fall Meeting 2015

Sarah Dennis Phillips, Office of Economic & Workforce Development
City & County of San Francisco

Stagnant Supply and Rising Demand Have led San Francisco's Housing Prices to Rise 40% since 2011



Source: HUD, Census, BEA/Moody's, Zillow





NO WALL ON THE WATERFRONT

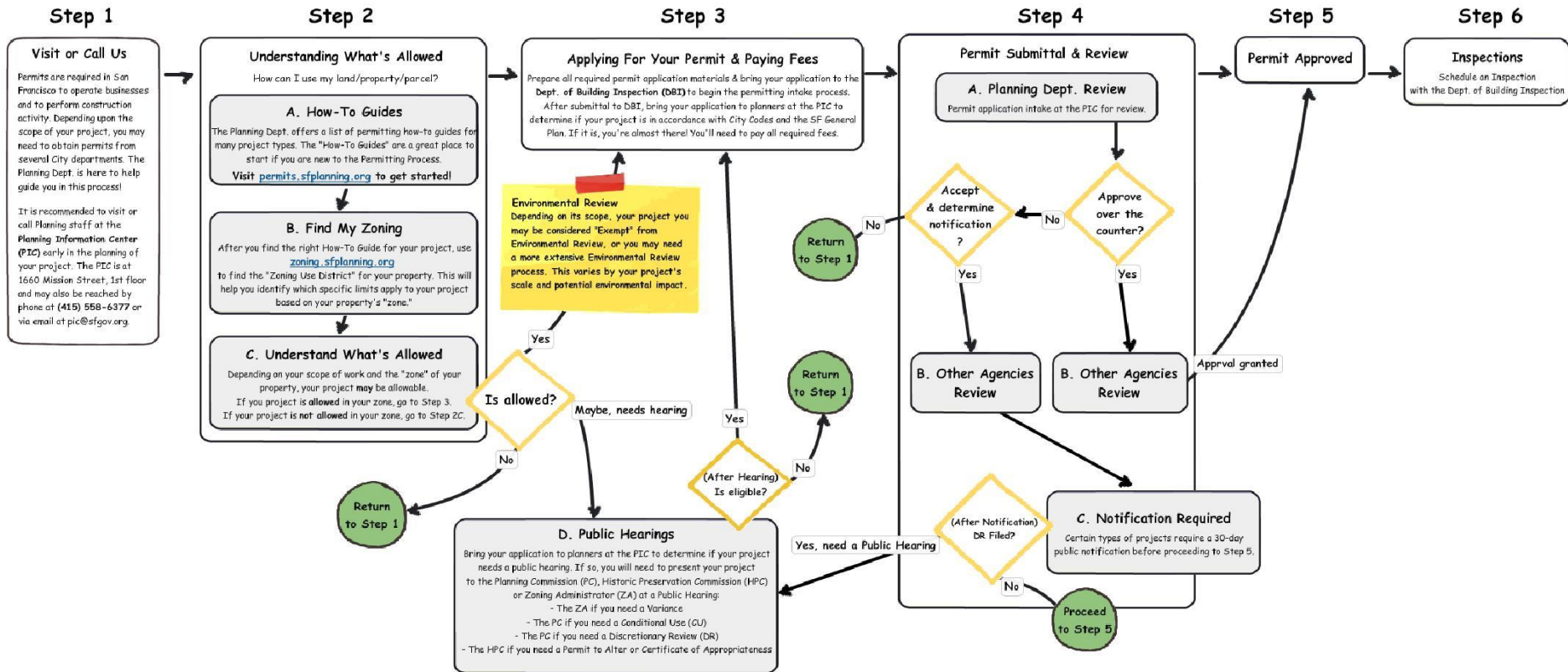
NO ON B&C!



**Sierra Club
San Francisco Democratic Party
Coalition for San Francisco Neighborhoods
Affordable Housing Alliance
Harvey Milk LGBT Democratic Club
San Francisco Tenants Union
Housing Rights Committee
San Francisco Tomorrow**



San Francisco Planning Department Permitting Process



HOUSING PRODUCTION PROGRAMS

- **100% Affordable, Multi-family Rental**
 - Approximately 17,000 existing units up to 60% of AMI
 - Housing Trust Fund invests \$1.5 billion over next 30 yrs (9K more).
- **Public Housing**
 - HOPE SF: Approximately 5,265 units of mixed income housing.
- **Supportive Housing for Formerly Homeless**
- **Inclusionary Housing Program – Rental & Ownership**
 - Privately-funded units
 - Approximately 4,000 existing units from 60-120% of AMI

HOUSING PRESERVATION PROGRAMS

- **Small Sites Program**
 - On track to preserve the homes of 60 households by December 2015
- **Eviction prevention programs**
- **Rental assistance programs**
- **Public Housing**
 - HOPE SF: 1,904 units of existing housing (0-80% AMI)
 - RAD: 3,500 units of existing housing (0-80% AMI)



DOWNPAYMENT ASSISTANCE PROGRAMS

- Up to \$200,000 of downpayment assistance for purchase of a market-rate unit;
- Up to \$57,000 for purchase of BMR unit;
- Targeted programs for teachers and first responders;
- “Shared appreciation” loans – no payments due until sale, and then principal and share of appreciation is repaid.
- Revolving loan pool – repayments fund new loans
- **SFERS to invest \$125 million over ten years to recapitalize.**

SAN FRANCISCO INCLUSIONARY PROGRAM

	FEE	ON-SITE UNITS	OFF-SITE UNITS	ON-SITE DIAL	ACQUIRE EXISTING UNITS
RENTAL	20% at \$270K*	12% at 55% AMI	20% at 55% AMI	Up to 16% at 90% AMI	Equiv to fee
OWNER	20% at \$270K*	12% at 90% AMI	20% at 70% AMI**	Up to 15% at 120% AMI	Equiv to fee

* 2 person household

** Amendments underway

NEW PROGRAMS UNDERWAY

- **Public Lands for Housing**

Development plans for multiple public sites *with high or 100% affordability*

- **Housing Accelerator Fund**

A new fund leveraging City money with lenders and philanthropic investments to bring housing on-line faster

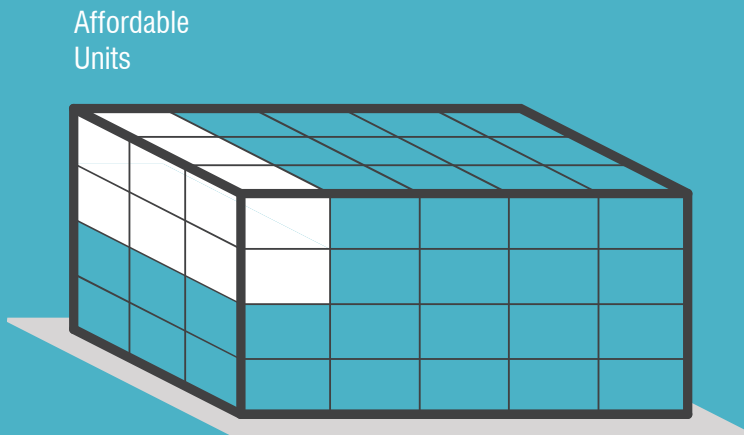
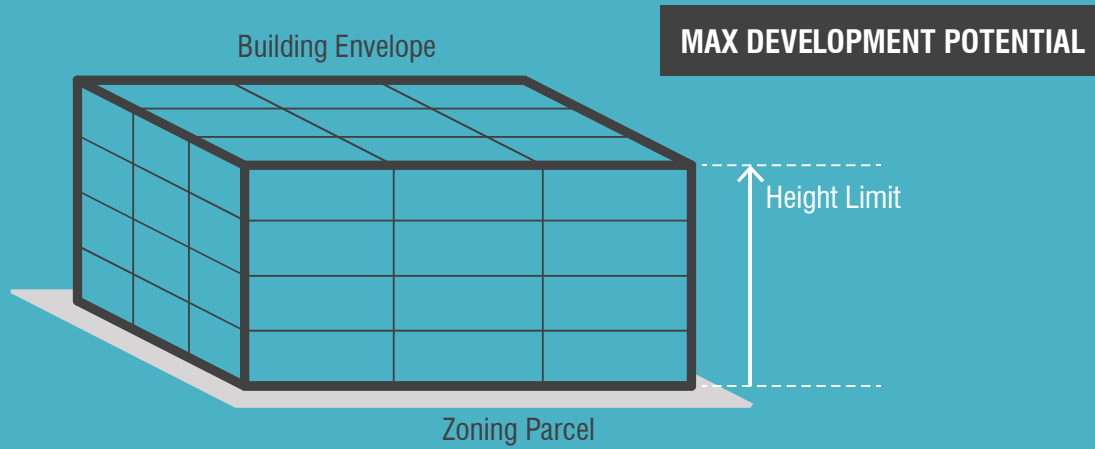
- **Middle-Income Rental Program**

City financially partners with market-rate developers to increase on-site affordability to middle-income households

- **Affordable Housing Bonus Program**

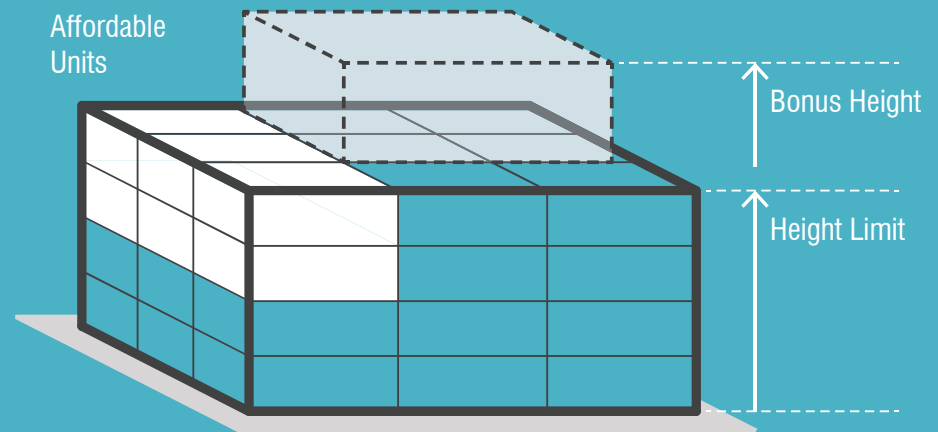


DENSITY BONUS OVERVIEW



DENSITY BONUS - WITHIN ENVELOPE

+ INCENTIVES



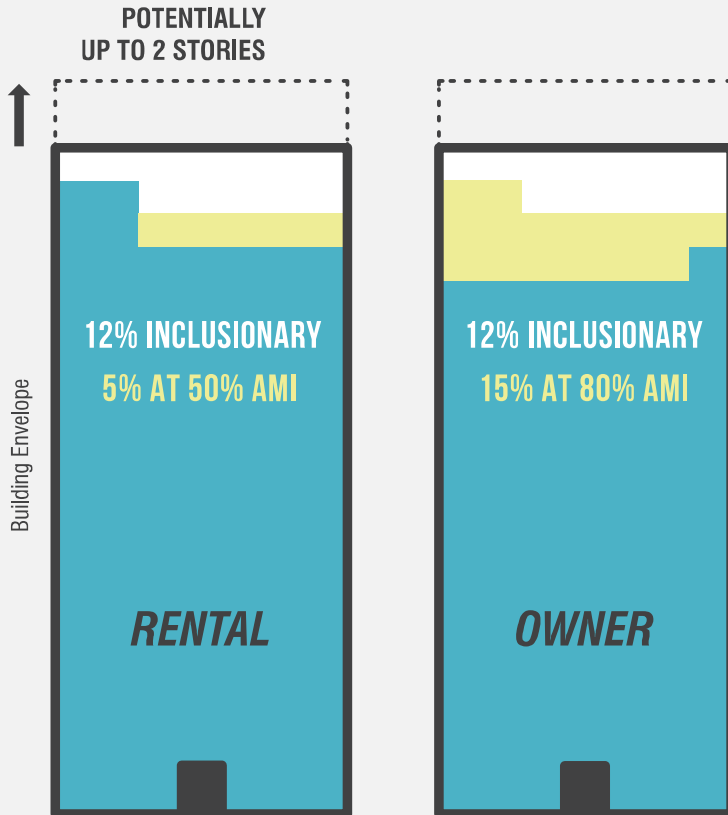
DENSITY BONUS - HEIGHT

+ INCENTIVES

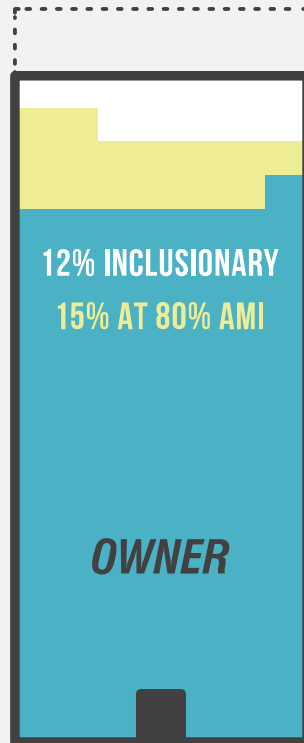
PROGRAM OFFERS DEVELOPERS TWO NEW OPTIONS:



STATE PROGRAM
MAXIMUM 35% BONUS



13%
TOTAL PROJECT



20%
TOTAL PROJECT

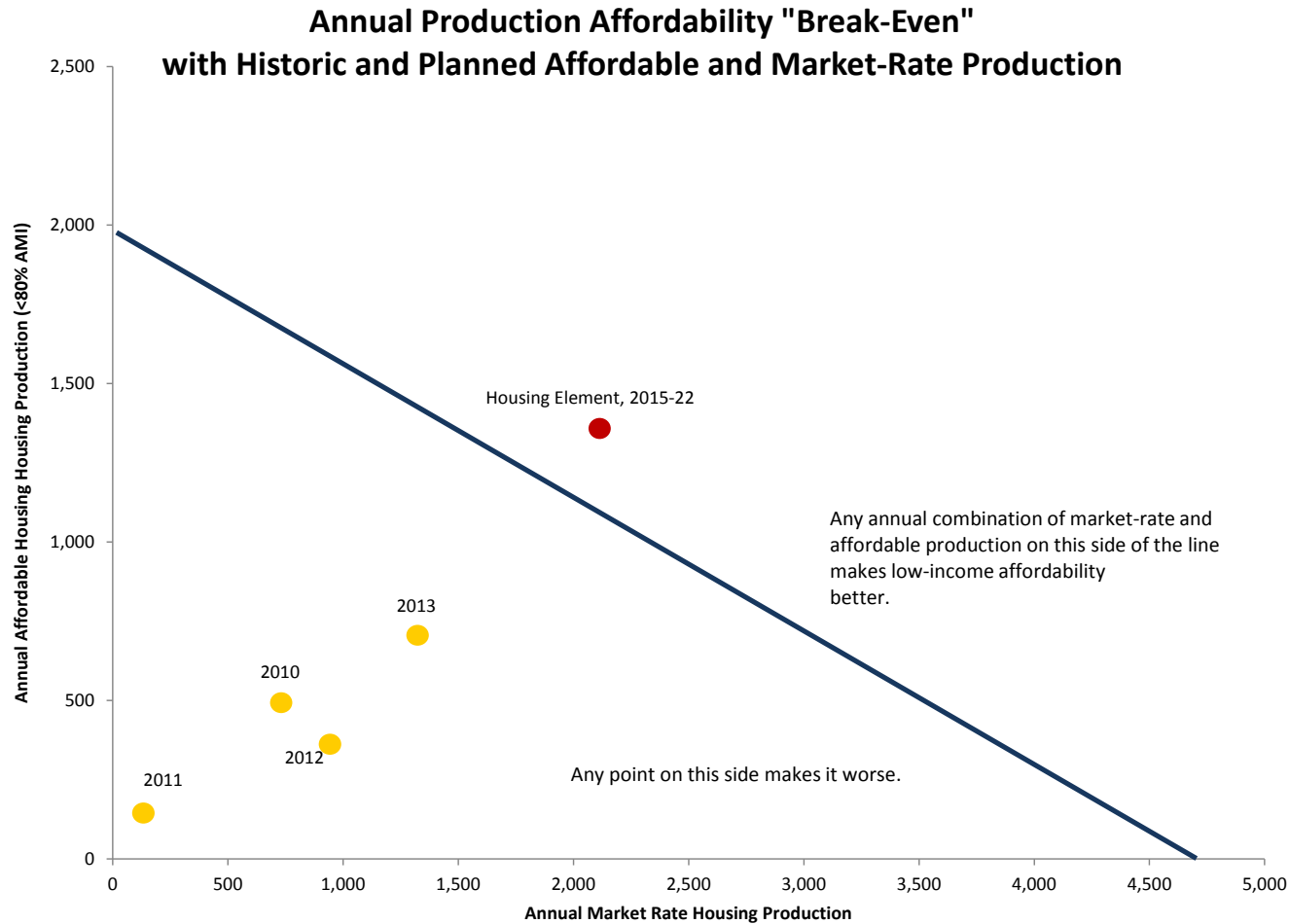


LOCAL PROGRAM
DENSITY REGULATED BY FORM



30%
TOTAL PROJECT

Market Rate and Affordable Production: Impact on Low Income Housing Affordability



Source: Planning Department, Controller's Office calculations.



PRODUCTION GOALS

- Build and rehabilitate 30,000 homes by 2020
- 33% affordable in plan areas and major rezonings
- Review the ratio of affordable to market rate housing, to ensure we keep producing at all levels.

2020

AUGUST 2015

JANUARY 2014

2020 GOALS

 **30,000** HOUSING UNITS

 **30%** PERMANENTLY AFFORDABLE

 **50%** MIDDLE INCOME

In his State of the City Address, Mayor Lee set forth the goal of creating 30,000 new and rehabilitated homes for San Franciscans by 2020. He pledged at least one-third of those to be permanently affordable to low income families, and the majority of those within financial reach of working, middle income families. This meter counts housing projects as they are completed, so we can track our progress.

5712 UNITS COMPLETED

1441 UNITS AFFORDABLE

25% PERMANENTLY AFFORDABLE

SAN FRANCISCO HOUSING METER

HERE'S TO A SAN FRANCISCO
FOR THE 100%

